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## **Gilbert bill would promote farmland preservation**

**LANSING** – The Senate Agriculture Committee heard testimony Thursday on a bill allowing those preserving farmland to be eligible for tax credits that would keep the land more affordable to farm, said bill sponsor Sen. Jud Gilbert, R-Algonac.

“Farming has always been an important industry in our state and I believe that we should do everything we can to lower taxes for farmers and promote agriculture,” Gilbert told the committee. “More than a quarter of our state is covered by farmland, but that number is shrinking at a rate of seven acres an hour. If we are to preserve Michigan’s rich agricultural heritage, we must help farmers keep their land and resist pressure to develop it.”

The legislation would allow owners of farmland to apply to their local government to establish an agricultural district. Local governments would be required to develop a comprehensive land-use plan before entering into such an agreement.

The legislation also would:

- Allow a farm owner to enter into a 20-year agricultural district contract with the Department of Agriculture to keep the land in farm use;
- Allow a farm owner to be eligible for a tax credit representing the difference between the property taxes on the land and \$5 per acre;
- Require the state to reimburse the School Aid Fund for all revenues lost as a result of the tax credit; and
- Require the MDA to give up farmland if it was in the public’s best interest.

Michigan is one of the only states in the country that taxes its farmland at its highest and best-use value rather than the agricultural value of the land. This bill helps remedy that situation.

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